

A large yellow CAT 777 off-highway truck is the central focus of the image. A worker wearing a white hard hat, safety glasses, and a dark jumpsuit with reflective yellow-green stripes is standing next to the truck's massive tire. The worker is holding a green hose and appears to be working on the tire. The truck's body is yellow with black accents, and the number '777' is prominently displayed on its side. The background shows a vast, flat, arid landscape under a clear sky.

AR87

# SHIFT 2007

AREVA RESOURCES CANADA INC.  
ANNUAL REVIEW

  
AREVA

# SHIFT

*A 5' 6" driver.  
A 20-foot, 100-ton truck.*

To say our industry has changed  
is an understatement.

There is a *shift* – in global and local  
perception, in technology, in best  
practices, and in demand – that is  
driving AREVA Resources Canada Inc.  
to new levels of achievement.



Photo – front and this page: Joanne Cook by her ore truck in the Sue mine at the McClean Lake operation



**AREVA RESOURCES CANADA INC.  
2007 ANNUAL REVIEW**

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*AREVA Resources geologist Kelly Evans with senior geoscientist David Quirt*



## PRESIDENT'S MESSAGE



Donald Ching,  
President and CEO

## Shifting gears in a fast-moving world

The 21st Century has brought with it a fundamental shift in human perspective. In every discipline and industry, the Information Age presents a marked contrast to the attitudes and practices of the Industrial Age. The essence of that change is the priority of people over production.

This Annual Review speaks to our accountability to our employees and to the citizens affected by our operations in northern Saskatchewan. You will read about our survey of employees, and what we have done in response. See also our report on our consultation with the people of Nunavut, as we study the viability of a uranium mine at Kiggavik, west of Baker Lake. Then there is the success story of Cluff Lake, where we are keeping our promise to return it to a safe, natural condition suitable for traditional northern uses.

We are also accountable to the global community. The International Energy Agency reports that if current energy policies are maintained, CO<sub>2</sub> emissions in 2030 will be 70% higher than they are today. Growing concern about global warming has shifted to widespread calls for immediate action. The only realistic response includes an increase in the use of nuclear energy as part of the solution. Even many of those who only a decade ago engaged in the rhetoric of nuclear peril now realize the much more imminent and real danger of common fossil fuels. AREVA is at the vanguard of providing a sustainable alternative.

Aligned with our AREVA colleagues in over 40 countries and our mining industry partners, AREVA Resources Canada Inc. is extracting the world's cleanest energy alternative from the rock of northern Saskatchewan. We employ a dedicated, efficient and highly skilled workforce, using the latest advances in our industry, to help fuel nuclear power plants in 30 countries.

The demand for electricity in developed and developing countries and for nuclear fuel to create that electricity is growing rapidly. Throughout the world, 30 reactors are now under construction or being refurbished; 35 are on order or being planned with the funding and approvals in place; and an additional 200 nuclear reactors are being proposed. Stemming from this current and anticipated demand, uranium spot market prices have skyrocketed from a low of US \$7 per pound just a few years ago to recent prices of over US \$100 per pound.

Here at home, support for our operations and the nuclear industry in general remains strong. Within Saskatchewan, approximately 80% of the general public supports uranium mining and the idea of developing a uranium processing facility in the province.

All of this bodes well for the shareholders and stakeholders of AREVA Resources. With over a billion dollars of capital investment in northern Saskatchewan to date, we will continue to invest hundreds of millions more in future development. We will do so within a corporate culture that puts our people first. The name AREVA Resources refers not only to what we do, but also how we do it. Our finest resource discovery is the women and men who work for us. Together, we are turning the lights on around the world, and powering the shift to a brighter future for our planet.

A stylized, handwritten signature of Donald Ching in dark ink.

Donald Ching,  
President and CEO  
AREVA Resources Canada Inc.



# HIGHLIGHTS

## 2004

AREVA Resources celebrates the 40th anniversary of beginning exploration in Canada. In 1964, the company began exploring in the Athabasca Basin.

## February 2005

Saskatchewan Mining Association recognizes McClean Lake and Cluff Lake sites for zero lost-time accidents in 2004.

## March 2005

Supreme Court dismisses, with costs, an anti-nuclear group's request to appeal the June 2004 Federal Court of Appeal decision upholding the McClean Lake operating license.



## May 2005

Operating license at McClean Lake renewed for four years, to allow expansion of the mill to process Cigar Lake ore in future.

## June 2005

Phase 2 of Cluff Lake decommissioning begins.

## July 2005

Mining of Sue A pit at McClean Lake begins.

## August 2005

Surface preparation begins for the Sue E open pit mine at McClean Lake.

## December 2005

Mining of Sue E open pit begins at McClean Lake.



## March 2006

Ore removal from Sue A mine at McClean Lake completed.

## April 2006

Leadership training sessions for first line supervisors, superintendents and managers commence.

## July 2006

AREVA Resources Canada Inc. becomes our new name.

## August 2006

AREVA Resources employee family mine site tours begin at McClean Lake.



## March 2007

Ferric sulphate and oxygen plants at McClean Lake commissioned and turned over to Operations.

## April 2007

McClean Lake produces its 40 millionth pound of yellowcake.

## June 2007

Camp expansion process begins at McClean Lake. Emergency Response Team wins the Surface Proficiency Competition at the Saskatchewan Mining Association Mine Rescue Competition. Canadian Nuclear Safety Commission announces approval of EA guidelines for the Midwest project. Uranium spot market price peaks at US \$136 per pound.

## July 2007

2007 exploration drilling program commences at the Kiggavik site.

## August 2007

Cluff Lake achieves seven years with no lost time accidents.

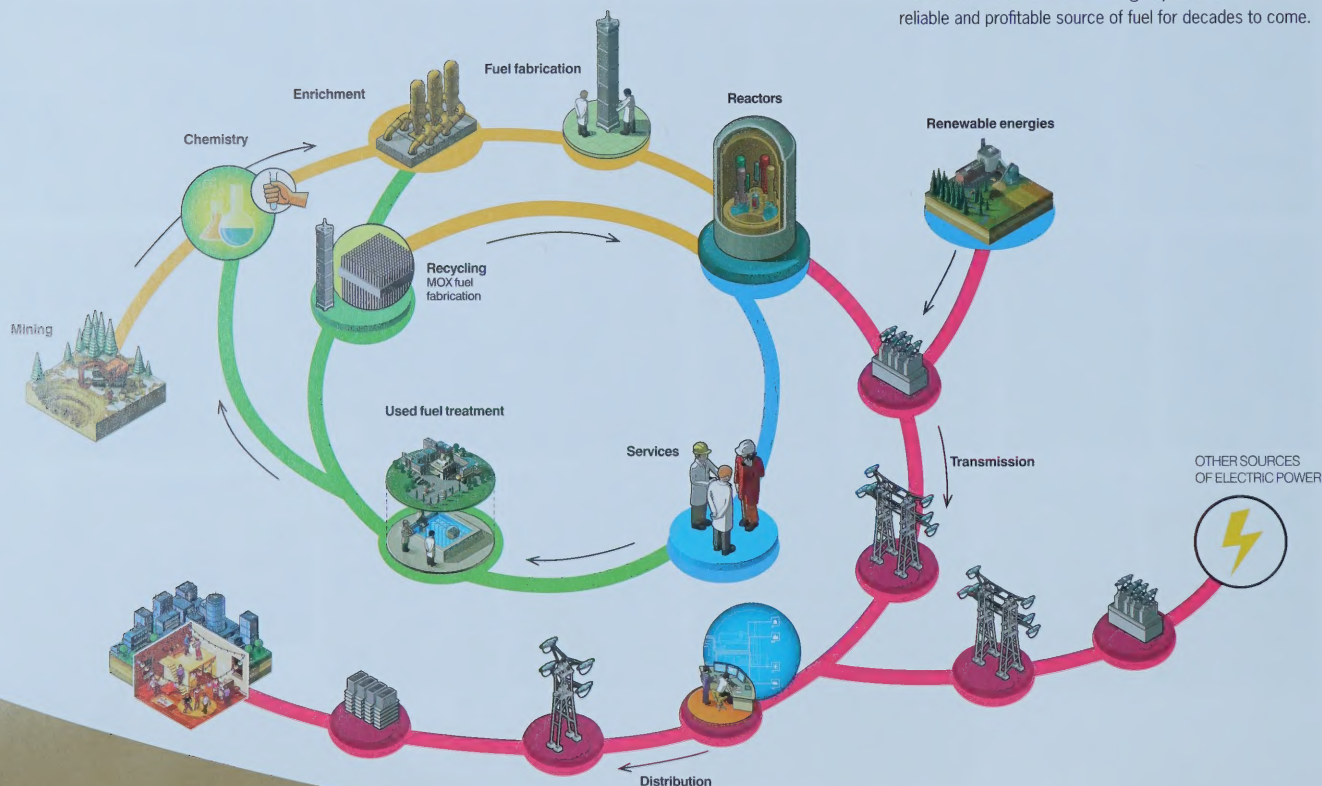


# AREVA GLOBALLY

With its head office in France, the AREVA group operates a sales network in more than 100 countries and manufacturing operations in 40 countries.

AREVA is involved with every aspect of the nuclear cycle. The company is committed to supplying high performance fuel, constructing and servicing nuclear power plants, ensuring power grid reliability, and optimizing used fuel management.

AREVA Resources ensures its group affiliates of a reliable and profitable source of fuel for decades to come.



# AREVA IN CANADA

AREVA's 1100 Canadian employees in 16 locations across the country are committed to Canada's energy advantage.



**Note:** AREVA NC is involved with the nuclear fuel cycle, AREVA NP with the nuclear power plant construction and maintenance, and AREVA T&D with electricity transmission and distribution systems.

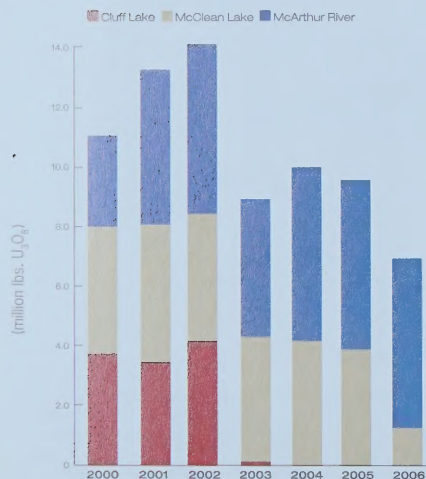


With its head office in Saskatoon, AREVA Resources operates the McClellan Lake and Midwest projects as well as the Cluff Lake mine, which is being decommissioned. AREVA Resources is a partner in the McArthur River mine and Key Lake mill, and the Cigar Lake mine now under construction.



## 2006 OVERVIEW

**AREVA Resources' Share of Production**



### Uranium Production

2006 represented the second consecutive year of lower production for AREVA Resources. The decrease was due to reduced production from McClean Lake, as McArthur River production remained consistent with both 2004 and 2005 levels. Production is anticipated to increase significantly after 2010 when Cigar Lake and Midwest ore begins to be processed at McClean Lake.

- The 70% owned McClean Lake operation, which is operated by AREVA Resources, produced 1.8 million pounds of U<sub>3</sub>O<sub>8</sub> in 2006, compared to 5.4 million in 2005. AREVA Resources' share of this production was 1.3 million and 3.8 million pounds in 2006 and 2005 respectively. This lower level of production reflects the transition from the milling of higher-grade Sue C ore in late 2005 to milling lower-grade ore from the Sue A and Sue E deposits in 2006. Mining of Sue A was completed in early 2006. Mining of Sue E began early in 2006, continued throughout the year, and will continue through 2007 to provide ore for the mill for the upcoming years.
- McArthur River production reached 18.7 million pounds of U<sub>3</sub>O<sub>8</sub> for the third consecutive year in 2006. All McArthur River ore is milled at the Key Lake facility.

AREVA Resources received 5.65 million pounds of U<sub>3</sub>O<sub>8</sub> from McArthur's production through its 30.195% ownership.

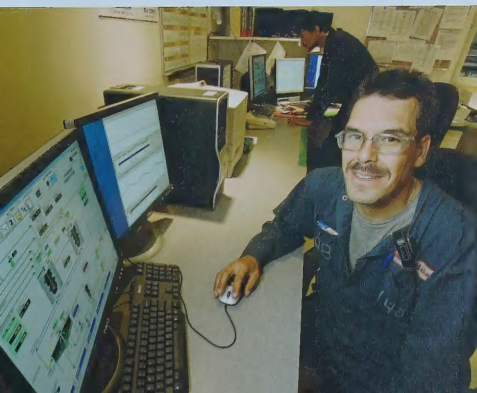
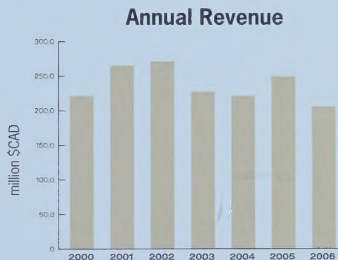
- In October 2006, a water inflow occurred at the Cigar Lake project, which is currently under development and which is 37.1% owned by AREVA Resources. This event has pushed back the expected start-up of production to 2011 from early 2008.
- The majority of the decommissioning work on the 100% owned Cluff Lake project has been completed. AREVA Resources will continue to monitor the site to ensure all environmental conditions meet or exceed regulatory requirements.

Share of Production		(million lbs. U <sub>3</sub> O <sub>8</sub> )										
	Ownership Share	'97	'98	'99	'00	'01	'02	'03	'04	'05	'06	'07 (est.)
Cluff Lake	100%	5.1	2.7	3.2	3.8	3.4	4.2	0.1	–	–	–	–
McClean Lake	70%	–	–	1.0	4.2	4.6	4.3	4.2	4.2	3.8	1.3	1.3
McArthur River/Key Lake	30%	–	–	–	3.0	5.2	5.6	4.6	5.7	5.6	5.6	5.6
<b>TOTAL</b>		<b>5.1</b>	<b>2.7</b>	<b>4.2</b>	<b>11.0</b>	<b>13.3</b>	<b>14.1</b>	<b>8.9</b>	<b>9.8</b>	<b>9.4</b>	<b>6.9</b>	<b>7.0</b>
<i>(Numbers may not add due to rounding)</i>												



## Revenue

Sales revenue in 2006 was 18% lower than in 2005, as the significantly lower production volumes were partially offset by higher realized average selling prices. Although the spot price for  $U_3O_8$  has increased dramatically over the past several years, both the strengthening of the Canadian dollar relative to the US dollar and the significant amount of sales that continue to be made under previously negotiated long-term contracts served to curtail realized selling prices.



## Governance

### Executive Management

Donald Ching, *President and Chief Executive Officer*

### Board of Directors

The Board of Directors provides the strategic direction and general policy advice to the management team of AREVA Resources Canada Inc.

Olivier Mallet,

*Executive Vice-President of Mining, Chemistry and Enrichment Sector, Areva NC*

Pascal Bourrelier,

*Director of Production, AREVA NC*

Armand LaFerrere,

*President, AREVA Canada Inc.*

Donald Ching,

*President and Chief Executive Officer*

Vincent Martin,

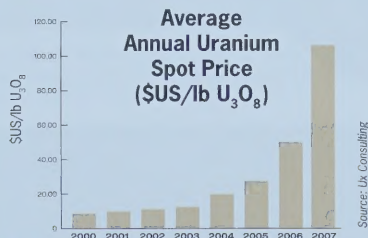
*Senior Vice-President and Chief Operating Officer*

Gerald Scherman,

*Senior Vice-President and Chief Financial Officer*

Tammy Van Lambalgen,

*General Counsel*



## Market

The spot price of  $U_3O_8$  continued its rapid ascent in 2006. The uranium price surpassed its previous all-time high by midyear, and continued to rise to close at \$72.00 US on December 31. Prices rose to over \$100 US by mid-2007.



Above: Yellowcake drums ready for shipment

Left: Mill operator, Rodney Augier, in the McClean Lake mill control room

## *Involving Northern Communities in Project Development*

From a presentation by William Noah,  
AREVA Resources Community Liaison Officer for Baker Lake, Nunavut

I am an Inuk from the Back River. Now, mostly I am an artist.

When I was young and living on the land I didn't know anything about mining. But after I saw the uranium mines in Saskatchewan, and the native people happy with mining jobs, and the clean places they worked, I began to think it might be good for Baker Lake. Now, I am a Community Liaison Officer for AREVA Resources.

Our Community Liaison Committee meets every month. Committee members are appointed by their own organization. The Committee includes male and female elders, youth, community representatives and representatives from health, justice, education and business. The meetings are open to the public.

We will be speaking with the elders to get their traditional knowledge about many things, such as archaeological sites and the habits of wildlife. We have already talked to the elders and others on our committee about the best place for a road.

### **William Noah**

#### **True to his art and heritage**

William Noah is an Inuit artist and sculptor with a passion for his community and the land. He served several terms as mayor of Baker Lake, and was MLA for Keewatin North, Northwest Territories from 1970 to 1983. His most recent honor, in January 2006, was the Commissioner's Award for Bravery for saving the life of a three-year-old who had wandered onto treacherous spring ice.







We brought a group of 17 Aberdeen Lake people by helicopter to the proposed Kiggavik Project site in July and August 2006. Besides showing the Akilinirmiut\* the place where the mine would be constructed, we also went to see their traditional homeland at Aberdeen Lake, about 25 km from the project area. Some had left 40 or 50 years ago because of starvation, or for school.



Many wanted to see graves of family members. A song was sung for people who were killed by lightning while guarding caribou meat from the bears many years ago.

*"We realize that any mine that opens near Baker Lake requires the support of the community, and we are working to build and maintain that support."*

— BARRY MCCALLUM, MANAGER OF NUNAVUT AFFAIRS, AREVA RESOURCES



Janet found the tent ring that was her home when she was younger and she turned over the stone that was her qulliq\*\*. She was happy and emotional.

### About the Pre-Feasibility Study

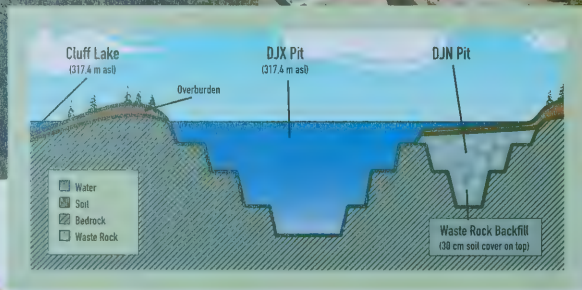
The pre-feasibility study for the proposed Kiggavik mine is expected to be completed in 2007, and could be followed by the environmental assessment and feasibility study to commence in 2008. A final development decision is targeted for 2012. The outcome will be determined by the project economics, community response and regulatory authorities.



\*Akilinirmiut: one of the northern tribal groups who lived primarily along Beverly Lake, Aberdeen Lake and Schultz Lake

\*\*Qulliq: a stone lamp fuelled by the oil from blubber and used to light and heat tents or igloos, melt snow for water, dry clothing and cook food

# CLUFF LAKE



The DJN pit was mined and then backfilled with waste rock from the DJK pit. Some of the backfill material was relocated to the Claude Pit, so that all of the waste rock was submerged under the final water level.

## A great mine bids adieu

In 2002, the Cluff Lake mine reached the end of its uranium production. For close to a quarter of a century the mine was an integral part of northern Saskatchewan. With an original expected life of 12 years, Cluff Lake produced 62 million pounds of yellowcake over a 22-year period.

... The Dominique-Jeanne (DJ) mine site at Cluff Lake in 1999 showing the backfilled DJ North (DJN) pit, the open DJ Extension (DJK) pit, and the entrance to the decline (lower centre of the photo) of the DJ underground mine



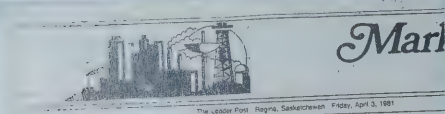


Cluff Lake is 100% owned and operated by AREVA Resources. AREVA Resources has implemented a decommissioning program to rehabilitate the site. Most of the decommissioning was completed in 2006 after two years of work to fill the Claude pit, demolish the mill, cover the tailings management area, and reslope and cover waste rock piles.

The planting of 600,000 trees by 2007 has ensured that the site will gradually blend back into the natural landscape from which it came. A monitoring program is now in effect. AREVA Resources will maintain and monitor the site until the data clearly show that the environment will be protected in the long term and that the site will remain safe for traditional land uses.

*Photo: The decommissioned Dominique-Janine site today (Cluff Lake on the lower right)*

# Cluff Lake: In Retrospect



## Cluff Lake mine officially opens



**Lifeline deposits**  
Newly discovered Cluff Lake is one of the world's richest and most promising uranium deposits, says a leading Canadian mining expert.

The Cluff Lake mine, located about 100 miles north of Regina, Saskatchewan, is the first of its kind in the world. It is a large, open-pit mine with a capacity of 10,000 tonnes per year.

The mine is owned by the Cluff Lake Uranium Mine Ltd., a subsidiary of the Canadian Uranium Corporation. The mine is expected to produce 10,000 tonnes of uranium ore per year.

Contractors blame

## Crispo calls for change in NEP

The Cluff Lake mine is a major source of uranium for the Canadian nuclear industry. The mine is expected to produce 10,000 tonnes of uranium ore per year.

The mine is owned by the Cluff Lake Uranium Mine Ltd., a subsidiary of the Canadian Uranium Corporation. The mine is expected to produce 10,000 tonnes of uranium ore per year.

From the Regina Leader-Post April 1981



Geologists pay homage to the early explorers, c. 1975, Cluff Lake

## Ser high

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Our neighbours

Mid-1960s

Orebody discovered

1980-83

D Pit (the first orebody to be mined at Cluff Lake)

1983

D Pit decommissioned

1983-99

OP/DP underground mine

1987

Gold extraction circuit added to the mill to recover gold from the Phase 1 tailings

1989-91

DJN Pit

1994-97

DJX Pit

1994-2002

DJ underground mine

2000

Original date targeted for closing of the mill. Higher ore grades and improvements in operations allow production to continue for two more years

2002

After 22 successful years, Cluff mining operations cease with a total of 62 M pounds

2003

John T. Ryan safety award from the Canadian Institute of Mining, Metallurgy and Petroleum – for the lowest lost time accident rate of any metal mine in Canada in 2002 (also awarded to Cluff Lake in 1998)

2004

Decommissioning Licence granted and work begins

2004

ISO 14001 certification for environmental management system – a first for a North American uranium mine in the process of being decommissioned

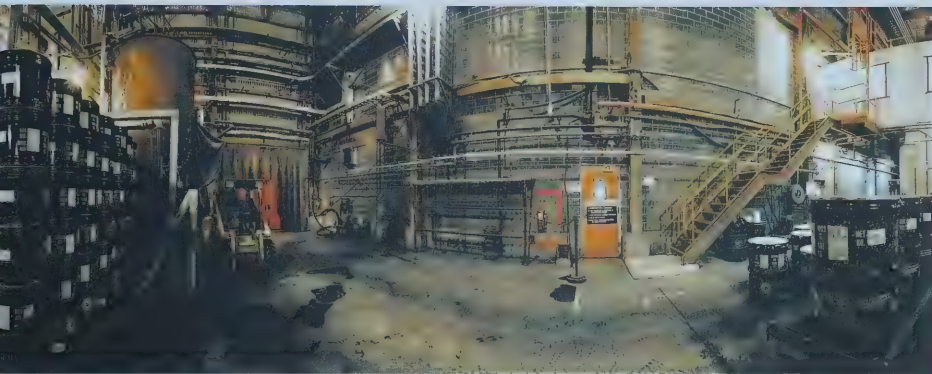
2005

Physical decommissioning complete

2007

Cluff achieves seven years without a lost-time accident

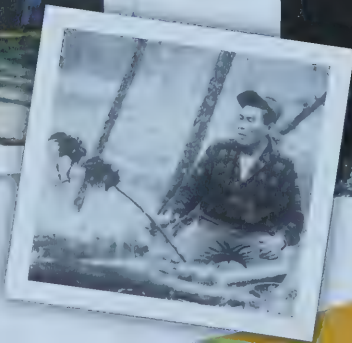




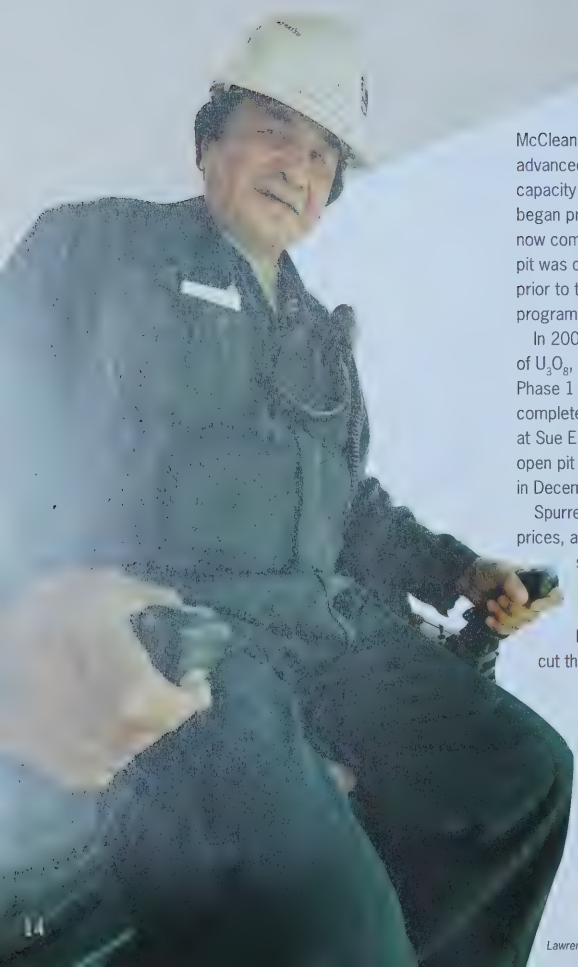
Former Cluff Lake mill yellowcake loading area (left); Leonard Mineault taking a water sample by Snake Lake, 2001 (above); Former Dominique-Janine underground mine at Cluff Lake (below)



Alex Flett in 2001 and in 1969. Cluff Lake trapper Alex Flett helped the exploration geologists when they came to his area in the 1960s. Alex and four of his eight children worked at the mine. He still hunts and traps around Cluff Lake. AREVA Resources staff recently built Alex Flett a new cabin on the shore of Cluff Lake



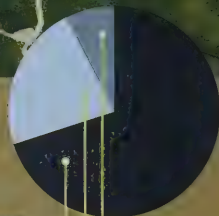
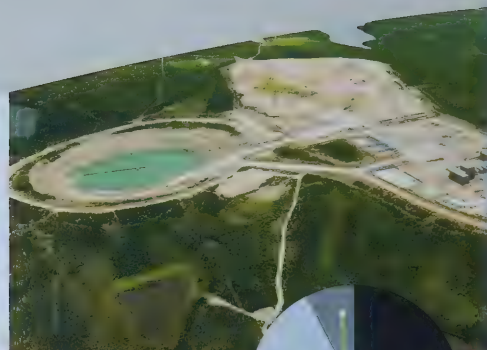
## McCLEAN LAKE



McClean Lake is the newest and most technologically advanced uranium mill in the world, with a licensed capacity of eight million pounds  $U_3O_8$ . The operation began producing yellowcake in 1999 using ore from the now completed JEB and Sue C open pit mines. The JEB pit was converted into the tailings management facility prior to the start of mill production. A mill expansion program started in 2005 and is continuing.

In 2006, McClean Lake produced 1.8 million pounds of  $U_3O_8$ , milling low-grade ore from the Sue A and Sue E Phase 1 mines. During 2006, open pit mining was completed on Sue A. Crews began working on Phase 2 at Sue E. The project description for the new Caribou open pit mine was submitted to the regulatory agencies in December 2006. (See p. 18.)

Spurred by the economic viability from record uranium prices, a new mining method is being tested to access small high-grade ore pockets. The MED (mining equipment development) project involves drilling a hole from the surface to the ore, then using a high-pressure jetting head and water lift system to cut the ore and bring it to the surface for processing.



### McClean Lake Ownership

70% AREVA Resources

22.5% Denison Mines Inc.

7.5% OUIR Canada Co. Ltd.

### Reserves (December 2006)

28.2 million pounds  $U_3O_8$

### Discovered

1979

### Began Production

1999

### Workforce (July 2007)

345 AREVA Resources employees plus  
70 long-term contractors





*“We are excited about the new developments at McClean Lake. I enjoy the opportunity to apply quality principles to the production of yellowcake.”*

— FRANK LAROCQUE, QUALITY SUPERVISOR,  
McClean Lake

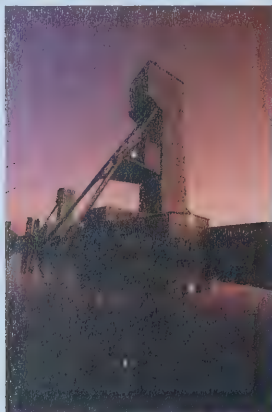


Top: Radiation technician Michael Voss  
checking the personal alpha dosimeters used  
by employees working in the uranium mill

Above: Summer student Krissa McKay helping in the  
mill warehouse

Left: Gabriel Mansoy, Athabasca Catering employee, reviewing photos  
of old uranium mines with McClean Lake Elder Advisor Pierre Robillard

# CIGAR LAKE



Cigar Lake is the world's second largest known high-grade orebody, with an average grade of 20.79%. Construction began in January 2005 and production is expected to begin in 2011. Due to a water inflow in late 2006, remediation and dewatering is the focus of activities in 2007.

Cigar Lake ore slurry will be trucked about 75 km to McClean Lake for processing. A portion of the uranium solution will be trucked from the McClean Lake mill to Cameco's Rabbit Lake mill for final processing and packaging.

Cigar Lake is expected to produce about 18 million pounds of  $U_3O_8$  annually after the initial ramp-up period.



## Cigar Lake Ownership

37.1% AREVA Resources

50.025% Cameco Corporation

5% TEPCO Resources

7.875% Uranium Uranium Exploration Ltd.

Reserves (December 2006)  
226 million pounds  $U_3O_8$

Discovered  
1981





#### McArthur River Ownership

30.195% AREVA  
Resources

69.805% Cameco  
Corporation

Reserves (December, 2006)  
367 million pounds  $U_3O_8$

Discovered  
1986

Began Production  
1999

#### Key Lake Ownership

16.67% AREVA  
Resources

83.33% Cameco  
Corporation

Reserves  
Depleted

Discovered  
1975

Began Production  
1989

## McARTHUR RIVER / KEY LAKE



The world's largest high-grade uranium deposit, McArthur River is also the world's most productive uranium mine. It contributes approximately 20% of global mined uranium.

With such a high average grade of 21%, the mine uses sophisticated remote non-entry mining systems that keep radiation exposures well below regulatory limits. Development is under way for a boxhole boring mining method for future ore production. The ore slurry is transported over an all-weather road to Key Lake for processing.

The processing of McArthur River ore extends the use of the existing facilities, since Key Lake reserves are now depleted. An environmental impact assessment of a plan to increase licensed production capacity to 22 million pounds of  $U_3O_8$  is in progress. Plans for the revitalization of the Key Lake mill for this extended use are being developed.

# MINES OF THE FUTURE

It is high times for the resource sector in Saskatchewan and western Canada. Mineral exploration is widespread and intense, from gold to diamonds to rare earths and uranium. The resulting discoveries are creating the potential for more mining operations throughout the north. AREVA Resources continues to be among the leaders in the industry, with five significant uranium properties moving forward to eventual production.

## Caribou

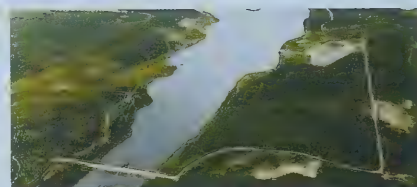
Discovered in 2002, Caribou is a small uranium deposit at the McClean Lake site that can extend mining and milling operations. The deposit is 1.8 km northwest of the mined-out Sue C open pit mine. Because the ore is primarily located between 100 to 130 metres below surface, it can be recovered using conventional open pit mining. The environmental assessment for the Caribou open pit mine has been initiated.



Suzanne Clarke, Athabasca Catering employee, fishing after hours at McClean Lake



Caribou



Midwest

## Midwest

The Midwest Project, 15 km west of McClean Lake, is 69.16% owned by AREVA Resources, in partnership with Denison Mines (25.17%) and OURD Canada Co. Ltd. (5.67%). The environmental assessment is in progress and is expected to be completed in 2008, followed by licensing and site infrastructure development. Mining of the deposit is targeted to begin in 2009 and will take approximately five years to complete.

The orebody contains about 37 million pounds of  $U_3O_8$  at an average grade of approximately 2.4%.



### McClellan Lake Underground Mine

An underground mine is being planned for the McClellan Lake site near the entrance to the lease area. The orebody, containing about 10 million pounds of uranium at an average grade of 2.5%, is located 180 metres below the surface. This mine was considered in the original McClellan Lake environmental assessment process. With licensing applications in 2008, AREVA Resources could begin mine development in 2009. Production is targeted for 2011. The MED project (p. 14) used this location to test the equipment.



### Kiggavik

The Kiggavik and Sissons properties are located approximately 80 km west of Baker Lake, Nunavut. The project is operated by AREVA Resources in joint venture with JCU Exploration (Canada) Co. Ltd. and DAEWOO Corporation. Exploration drilling resumed in 2007 and evaluation of existing core samples and other analysis is to be undertaken concurrently. Public consultation continues to be an important aspect of this development. (See story, p. 8.)



### Millennium

This project is a potential underground uranium mine 35 km north of Key Lake. The project feasibility study is expected to be completed in 2008. As of December 31, 2006, the deposit contains 38 million pounds of  $U_3O_8$  of indicated resources at 3.8% grade, and 10 million pounds of  $U_3O_8$  of inferred resources at 2.0% grade, to be processed at the Key Lake mill. AREVA Resources owns 28% of Millennium in partnership with JCU Exploration (Canada) Co. Ltd. (30%) and the operator, Cameco (42%).



### Shea Creek

Shea Creek consists of several deposits located south of Cluff Lake in a north-south line about 30 km in length. Extensive drilling has shown very impressive results, particularly in the Anne and Collette deposits about 20 km south of the Cluff Lake site.

In 2004, AREVA Resources and UEX Corporation signed an agreement granting UEX an option to acquire up to a 49% interest in ten undeveloped uranium projects including Shea Creek.

AREVA Resources is planning to submit a project description to the regulatory authorities in early 2008 for one or two underground exploration shafts and test mining facilities. Construction could begin in 2010 with completion in 2013.

Top: Geologist Anthony Williamson and geological technician Adam Gobel examining drill core at McClellan Lake

Middle: Kiggavik exploration site, Nunavut

Bottom: Shea Creek

# ENVIRONMENT, HEALTH AND SAFETY



Above: Human resources officer Mark Campbell is also a dedicated member of the McClean Lake Emergency Response Team  
Right: Diane Gillis, a laboratory technician at McClean Lake, uses a rotary fusion burner to test for uranium in samples



Protecting our workers, the environment and our communities is a priority of AREVA Resources. Federal and provincial government regulatory bodies, unions, the media, special interest groups and other community organizations maintain an interest in our operations. Ultimately, though, it is the will of AREVA Resources as a company and as a group of dedicated employees to provide the best assurance of world-class practices in safeguarding our people and our surroundings. To that end, each AREVA Resources site has an Environment, Health and Safety Department to support and manage the related programs at our facilities.

## Environment

AREVA Resources was the first North American uranium producer to meet ISO 14001 standards for environmental management. AREVA Resources' monitoring programs involve regular sampling of air, water, land, plants and animals to confirm that emissions are meeting all regulatory requirements. Environmental effects monitoring is also used to see "the bigger picture" of possible effects on the environment over a long period, to ensure awareness of even subtle changes over time.

The Environmental Policy of AREVA Resources presents a clear commitment to regulatory compliance, prevention, measurement, communication, staff training, and public consultation.

## Occupational Health and Safety

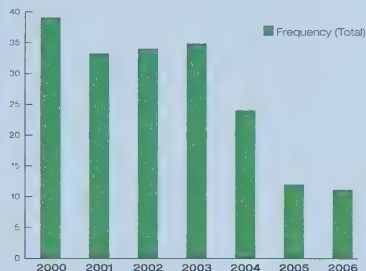
AREVA Resources is committed to providing a healthy and safe work environment for all workers, and is recognized throughout the industry for its outstanding safety record. A variety of programs and policies are in place to improve and sustain best practices in occupational health and safety. Our safety record has consistently improved over the years (p 21, top right). Of particular importance is the ongoing monitoring of worker radiation doses. As shown in the following chart (p 21, middle right), employee individual radiation levels are well below the regulatory limit.





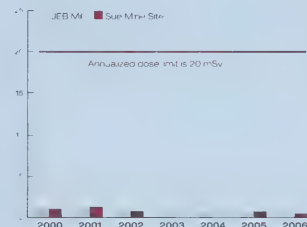
In 2007, the AREVA Resources McClean Lake team won top honors in the Surface Proficiency category of the Saskatchewan Mining Association's 39th Annual Emergency Response Competition, which attracted teams from mining companies across Saskatchewan.

### McClean Lake Combined Safety Incident Frequency (Operations and Long Term Contractors)



### McClean Lake Radiation Dosimetry Results

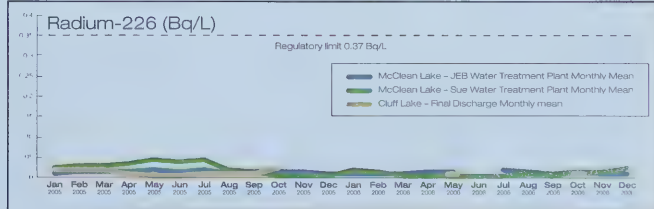
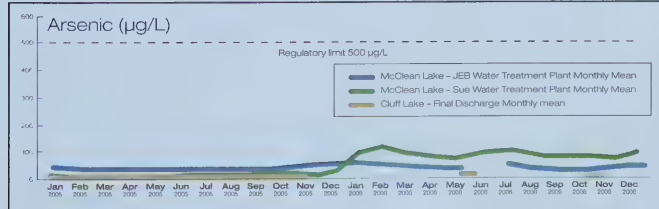
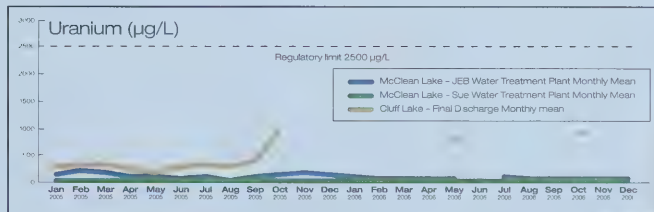
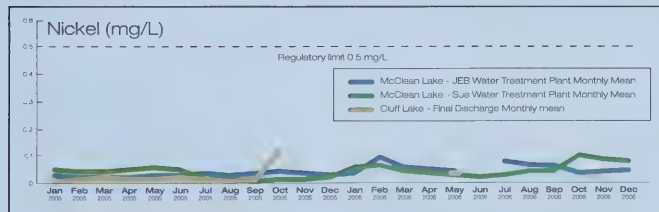
At McClean Lake, worker radiation doses remain well below regulatory limits, and as low as reasonably achievable.



(The Sue mine site was not operating during 2003 and 2004.)

### Monitoring Effluent Water Quality: Four Key Indicators

A range of environmental monitoring programs ensures that emissions from mining and related activities remain well below regulatory limits – and as low as reasonably achievable. Each of the four graphs below illustrates the significant difference between the regulatory limit and actual readings for liquid effluent from the mine site water treatment plants.



## SUPPORTING THE SHIFT

Meetings with communities help discuss concerns



### Public Opinion

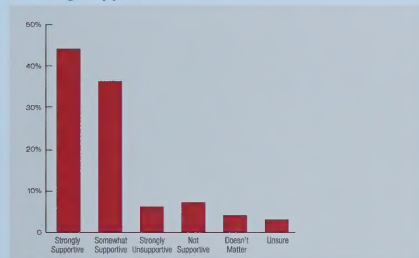
The attitudes and perceptions of the general public in Saskatchewan are important to AREVA Resources. Surveys by an independent research firm are conducted regularly to gauge public sentiment about uranium mining and related value-added processes such as building a nuclear reactor to generate electricity in the province.

The polling methodology provides a 95% level of statistical certainty that the overall results are within plus or minus 3.5% of what they would be if the entire adult population of the province were polled.

A poll taken in May 2007 measured public opinion in Saskatchewan. The results have remained consistent for the past several years: Saskatchewan residents in general support uranium mining and consideration of related value-added developments.



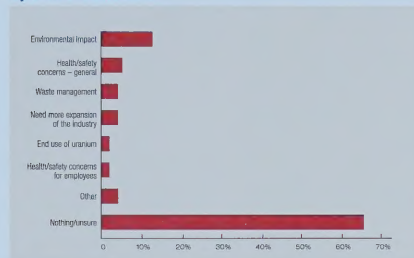
## Showing Support



The large majority of Saskatchewan residents (80%) support uranium mining in the province.

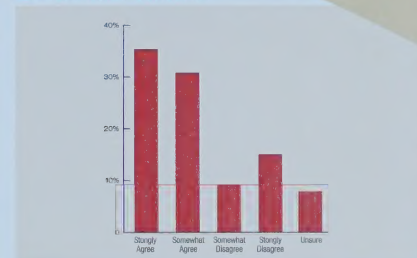
Despite their individual views and high support, only about half (55%) of Saskatchewan residents think that the majority of people in the province support uranium mining. This underestimation of general support is also typical of people's perceptions in other countries.

## Specific Concerns



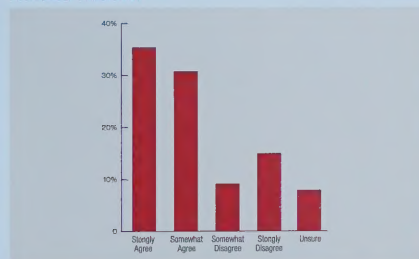
70% of residents do not have specific concerns about uranium mining operations in northern Saskatchewan; 13% mention concerns with uranium mining and the environment; 5% state health and safety concerns; and 4% are concerned with waste management.

## Environmental Concerns



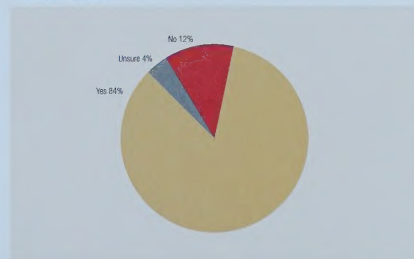
Public support does come with conditions and expectations to keep our environment safe. Although supportive of uranium mining in Saskatchewan, when asked directly if they are concerned with the environmental impact of the uranium mining industry, 67% suggest they are at least somewhat concerned.

## Nuclear Reactor

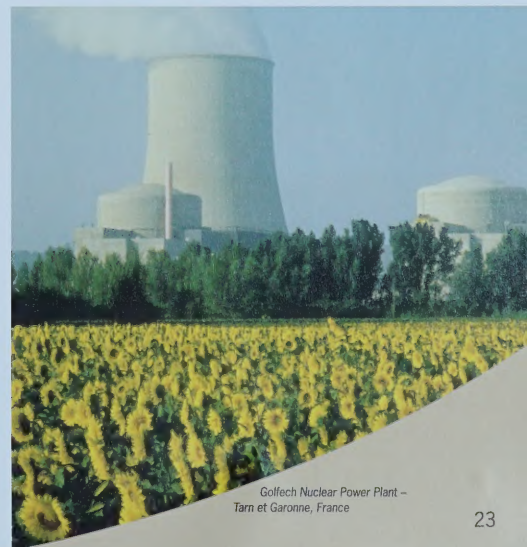


67% think the province should consider building a nuclear reactor to generate electricity.

## Value Added



84% of Saskatchewan residents are in favour of uranium value-added activities, such as processing uranium for use in nuclear reactors to generate electricity, in Saskatchewan.



Golfech Nuclear Power Plant –  
Tarn et Garonne, France

## Working for AREVA Resources



Above (l-r): Rob Digney, mine operations general supervisor, discussing the Sue E mine development plan with geological technician Grant Harrison, and mine engineer Shaun Pierce

Top Right: Heavy equipment operators Matthew Mercredi on guitar, and Jamie Morin on drums, relaxing after their night shift

Right: Environmental, health and safety summer student, Kim Sarauer, collecting samples near the mill

The question is not simply, "What does AREVA Resources do for its employees?" More accurately, it is, "What does AREVA Resources do in consultation with its employees?" The answer in the past year was significant, based primarily on several major employee surveys including one on general attitudes.

In December 2006, President & CEO Don Ching stated to employees:

"I appreciate the patience shown by AREVA Resources employees as well as their high levels of response to the various surveys. We have learned a lot from these studies and are discussing the results in detail with staff. Not surprisingly, the results often overlap and point in similar directions.

"We are in the process of trying to clearly understand the messages, but a number of issues stand out. One is the perception of pay and benefits versus the rest of our industry. Another is the issue of pick-up points and the



need to expand our transportation system. A third issue is the need to be more creative in how we approach supervisor/employee relations."

Employees soon learned of many initiatives launched to address their concerns and suggestions. These initiatives included hiring more employees to handle the workload, additional pick-up points at Buffalo Narrows and Prince Albert, an equipment revitalization program at McClean Lake, and a new tower to enable cell-phone service at McClean Lake.

The consultation will continue, with new and refined methods for employees to receive important information and provide feedback. One example is e-mail access to the president and CEO called "Ask Don". Meetings are also held regularly, alternating between the mine site and head office, with union and management.

Other initiatives include a new salary grid and regular salary reviews, company-wide incentives, a scholarship program for dependent children of employees, and a significant program for leadership development and training.

Throughout all of this recent activity, one message has resonated throughout the company: When you work for AREVA Resources, you are important to AREVA Resources.





## Make the Shift: Careers

Located in the economically prosperous region of western Canada – one of the most politically and economically stable regions in the world – AREVA Resources is a leader in the process of bringing the benefits of nuclear energy to the world.

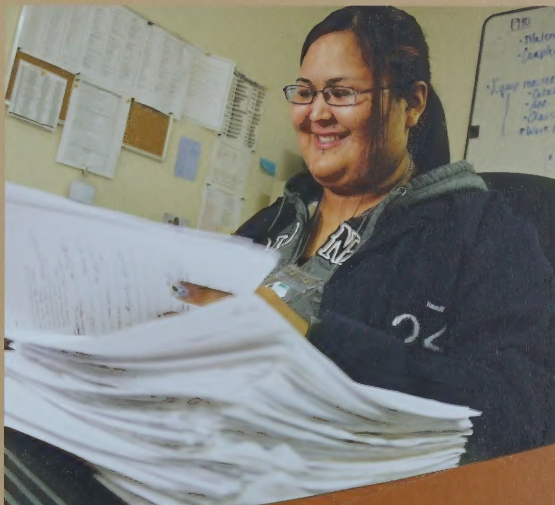
The career opportunities are many and diverse. AREVA Resources actively recruits for various positions, some of which include:

- Administration Professionals
- Engineers and Geologists
- Trades Professionals
- Mine Workers
- Mill Workers
- Environmental, Health and Safety Specialists

Positions are available at the sites and at head office. AREVA Resources offers competitive wages and benefits, training, an apprenticeship program, and a professional working environment with opportunities for advancement. AREVA Resources is particularly committed to maximizing employment participation for northern residents.

A summer student program is also offered, targeted to those in areas of study such as education, commerce, engineering, computer science, kinesiology, geological sciences, environmental sciences, biology and chemistry.

For more information, visit the Careers section at [www.arevaresources.ca](http://www.arevaresources.ca) – or contact the head office in Saskatoon at 306 343-4500.



Top: Geologists Robert McFadyen and Kelly Evans  
– Saskatoon office

Above: Employees at the McClean Lake mill  
machine shop.

Bottom: Patricia Naldzil, mill planning clerk,  
McClean Lake

With manufacturing facilities in 41 countries and a sales network in more than 100 countries, AREVA offers customers reliable technological solutions for CO<sub>2</sub>-free power generation and electricity transmission and distribution. We are the world leader in nuclear power and the only company to cover all industrial activities in this field. Our 61,000 employees are committed to continuous improvement on a daily basis, making sustainable development the focal point of the group's industrial strategy. AREVA's businesses help meet the 21st century's greatest challenges: making energy available to all, protecting the planet, and acting responsibly towards future generations.

[www.areva.com](http://www.areva.com)



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